

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA,

Plaintiff

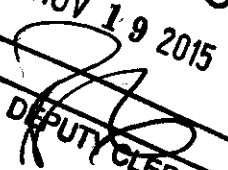
v.

RICHARD J. HARLEY,

Defendant

No. 3:12-cr-224

Honorable A. Richard Caputo

**FILED  
SCRANTON**  
NOV 19 2015  
PER   
DEPUTY CLERK

**MOTION OF DEFENDANT RICHARD J. HARLEY FOR DISMISSAL  
OF THE INDICTMENT, BASED ON PERJURED TESTIMONY BEFORE  
THE GRAND JURY, SET ASSIDE GUILTY VERDICT, AND  
INEFFECTIVE ASSISTANCE OF COUNSEL**

**NOW COMES**, Richard J. Harley, for dismissal of the indictment for perjured testimony before the Grand Jury, set aside guilty verdict, and for ineffective assistance of counsel for the following reasons:

**PERJURED TESTIMONY AT GRAND JURY**

1. Stan Dedmond and William Tranthan testified at the Grand Jury proceedings that resulted in Defendants indictment. They conspired to present false testimony to the Grand Jury in the matter as to the existence of the original Note and the original collateral of assignment. The following questions were asked by AUSA Bruce Brandler on Wednesday February 22, 2012 then on a 302 statement September 4<sup>th</sup> and 5<sup>th</sup> 2002.

**STATEMENTS BY DEDMOND**

**STATEMENT NO. 1 IN RE: GRAND Jury no. 10-410 pages 18, 19**

Witness: Alvin Stanley Dedmond, Wed. Feb 22, 2012, 2:16 PM. Stated to the Grand Jury pg. 18

Q... Did you ever send the original copy of the note to anyone, to Mr. Harley, to Christie Bower or any one else?

A... No, Sir.

**Q...** Where is the original copy of the note now?

**A.** If we can find it, it is in the records in William Tranthan's file system some where or may I say to you that my memory wants me to say that I think I gave that to the young man from the FBI back in 2003 or whatever that...when they had... when Harley was being prosecuted in Alabama or wherever that was.

**STATEMENT 2. PAGE 2 ON 9/4/00 FILE NO. 196D-BH-47935 FBI in part.....**

Dedmond confirmed that Enpetro executed a \$200 million Promissory Note to RJH and Company dated 9/24/97. He identified his signature on the assignment of collateral, which secured the \$ 200 million note with the Brown County oil reserves. Dedmond sent the note, the assignment of collateral, and engineer report, prepared by Phil Page of Abilene, Texas, to Harley in Pennsylvania via Federal Express. (see exhibit A)

**STATEMENT BY WILLIAM E. TRANTHAN**

**STATEMENT 1 IN RE; GRAND JURY NO. 10-410 WED. FEB. 22, 2012  
3:15 PM PAGE 9 LINE 13**

**Q...** You don't have copies of any of this correspondence?

**A...** We thought this thing was long dead, and we buried the paperwork in the Denton Land Fill six, seven years ago at least.

**PAGE 13 Lines 6 thru 13**

**Q...** Was the original note to your knowledge tended to Mr. Harley?

**A...** No

**Q...** Do you know where the original note is?

**A...** No

**Q...** Have you attempted to locate it?

**A...** Yes, well I believe the original not does not exist, I think it went to a landfill.

**STATEMENT NO. 2 PAGE 1 ON 9/5/2000 FILE # 196D-BH-47935 BY  
FBI RANDY M. HERTON**

Tranthan identified his signature on a 200 million promissory note payable to RJH and Company, Inc. dated 9/24/97, secured by the Brown County Oil Reserves. RJH was owned by Richard Harley. Tranthan does not recall the purpose of the note but believes it was used to raise capital. He does not know that Enpetro never received any consideration from RJH for the note...

**PAGE 2** Tranthan told Harley that note was cancelled and, if he presented it to a financial institution, he would tell them that the note was worthless. Tranthan has attempted to get the **original note** back from Harley but has been unsuccessful. ( See exhibit B)

**STATEMENT BY DONALD C. KESTERSON**

**IN RE: GRAND Jury no. 10-410 pages 18, 19 Wednesday February 22, 2012 12:52 p.m.**

Q...On the first one with Christie Bower you said you never got in touch with her?

A...No, Sir, not at that time.

Q...Did you try to get in touch with her?

A...Not at that time sir.

Q...At any time?

A...Later I believe she called me or I called her just to verify that she had the

Q...The original note?

A. . Yes, sir

Q...Did she verify that?

A...Yes Sir

(See exhibit C and D Attorney Christie Bower Safe Keeping Receipts- March 1 1999 and June 13, 2006)

It is important to note that AUSA Brandler made false statements to the Grand Jury pertaining to ownership of a \$45,000.00 automobile. On page 7 line 8 ( See exhibit E)

Q...What was the money used for?

A...The money was used for what appears to be personal expenses and I'd be happy to go over some of them but the high points, \$45,000.00 for an automobile.

Q...So they were personal expenses?

A...Personal expenses yes.

In AUSA Brandlers brief document 202 (foot note) July 1, 2015 page 38 of 46 he stated Mr. Fogerty testified, the 2008 Lexus was valued at \$40,000 and titled in the name of RJH. ( See exhibit F)

Another false statement was made when AUSA Brandler on page 38 line 13-18 stated in part-documents provided by Grand Jury subpoena from Mr. Kesterson's extensive documents stated, I have seen nothing indicating ownership in oil in those documents by Mr. Harley.

1. Donald Kesterson Certified Report Page 4 para. 4 states "based on the wording of the Collateral Assignment in my opinion Enpetro must maintain these Oil Reserves on behalf of RJH and Company, Inc.
2. Re: Analysis of the Oil Reserves in Brown County Texas dated July 3, 1999 very first para. Third line pertaining to "your" Oil Promissory Note and Collateral of Assignment "from" Enpetro LPC, In. ( See exhibits G)

The Defendants Attorney was put on notice regarding the perjured testimony before the Grand Jury, false statements by AUSA Brandler and was provided statements of fact for more than a year and refused to bring the matter to the attention of the Court. Following are the dates and time notices were faxed. (See exhibit H)

- 1<sup>st</sup> faxed on June 16, 2014 @ 7:24 pm
- 2<sup>nd</sup> faxed on June 8, 2015 @ 9:24 am
- 3<sup>rd</sup> faxed on July 13, 2015 @ 10:35 am
- 4<sup>th</sup> faxed on Nov. 10, 2015 @ 7:02 pm

**BRIEF IN SUPPORT OF MOTION FOR DISMISSAL OF THE INDICTMENT, BASED ON PERJURED TESTIMONY BEFORE THE GRAND JURY, SET ASSIDE GUILTY VERDICT, AND INEFFECTIVE ASSISTANCE OF COUNSEL**

Perjury charges in federal court involves (a) testimony made under oath, (b) that was false, (c) material to the proceeding,[2] and (d) was made deliberately with

knowledge that the information was false. 18 U.S.C. § 1621; 9th Cir. Model Crim. Jury Inst. No. 8.135 (2010). The U.S. Supreme Court stated, “[a] witness testifying under oath or affirmation violates this statute if she gives false testimony concerning a material matter with the willful intent to provide false testimony, rather than as a result of confusion, mistake, or faulty memory.” United States v. Dunnigan, 507 U.S. 87, 94 (1993).

### **Grand Jury Misconduct**

Federal courts may use their supervisory powers to dismiss indictments for prosecutorial misconduct in the grand jury. The Supreme Court has recently held that dismissal of an indictment is appropriate only “if it is established that the violation substantially influenced the grand jury’s decision to indict,” or there is “great doubt” that the decision to indict was free from this substantial influence.

### **False Testimony**

Due Process Clause of the Fifth Amendment is violated when a defendant has to stand trial on an indictment which the government knows is based partially on perjured material, and when jeopardy is not attached. Whenever a prosecutor learns of any perjury committed before the grand jury, he is under a duty to immediately inform the court and opposing counsel – and, if the perjury may be material, also the grand jury – in order that appropriate action may be taken.

### **Ineffective Assistance of Counsel**

The Sixth Amendment provides that it is compulsory process for obtaining witnesses in his/her favor and to have effective assistance of counsel.

1. There has been a significant break down in communication before and during trial.
2. Failure to investigate.
3. Failure to contact witnesses of the defendants choosing.

**4. Failure to file meritorious motion on defendant's behalf.**

More importantly the defendant faxed and emailed to the Attorney on 4 occasion concerning Subornation of Perjury and Perjury during the Grand Jury proceedings stating that Prosecutor knew or should have known that two of Prosecutions key witnesses knowingly made false statement that were material to the proceedings.

**CONCLUSION**

The Defendant submits that the discovery produced in this case of perjured testimony by two key witnesses of the Prosecutor is a miscarriage of Justice and is prejudicial to the Defendant.

Wherefore, this Court for the reasons cited should grant a hearing, delay the reporting to the U.S. Marshals office, grant Defendant Richard J. Harley's Motion for Dismissal of the Indictment, based upon perjured testimony before the Grand Jury, set aside guilty verdict and ineffective assistance of counsel.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of MOTION FOR DISMISSAL OF INDICTMENT, BASED ON PERJURED TESTIMONY BEFORE THE GRAND JURY, SET ASIDE GUILTY VERDICT, AND INEFFECTIVE ASSISTANCE OF COUNSEL and BRIEF IN SUPPORT, by Defendant, Richard J. Harley was faxed to Oliver Price & Rhodes, Attorney, Joseph A O'Brien 1212 South Abington Road, P.O. Box 240 Clarks Summit, Pa. 18411

Dated: November 18, 2015

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Richard J. Harley", is written over a horizontal line.

Richard J. Harley  
P.O. Box 306  
Shawnee on Del. Pa. 18356  
570-476-6990

# EXHIBIT A



**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

**IN RE: GRAND JURY NO. 10-410**

**IN THE MATTER OF THE UNITED STATES ATTORNEY'S OFFICE**

**Witness : ALVIN STANLEY DEDMON**

**Location : Federal Building  
228 Walnut Street, 7th Floor  
Harrisburg, Pennsylvania**

**Date : Wednesday, February 22, 2012,  
2:16 p.m.**

**Reporter : Tracy L. Lloyd  
Registered Professional Reporter  
Filius & McLucas Reporting Service**

**Counsel : BRUCE D. BRANDLER, ESQUIRE  
Assistant U.S. Attorney**

1 because why? Why do you say that?

2 A. Well, that's a copy he had to fix up from  
3 somewhere else. I don't know where that came from.

4 Q. How does this differ from the one you sent  
5 him?

6 A. The copy we sent out has "copy" right across  
7 William Trantham's signature so the world knows it's a  
8 copy.

9 Q. This one has "copy" -- I'll just put it up on the  
10 screen here -- up in the upper right-hand corner, not  
11 across the signature; correct?

12 A. That's correct.

13 Q. All right. I think we do have that other  
14 document somewhere among this mass of papers, but for  
15 the time being let's just use this one. Other than the  
16 placement of the stamped copy, there's also some  
17 handwriting at the top left that says certified as a  
18 true and correct copy from the original December 1st,  
19 '97, Christie Bower. I'm assuming that that was not on  
20 there when you sent it?

21 A. No, sir, and I'm telling you here today that is  
22 not a true copy of the note.

23 Q. Did you ever send the original copy of the note  
24 to anyone, to Mr. Harley, to Christie Bower or anyone  
25 else?

1 A. [ No, sir. ]

2 Q. Where is the original copy of the note now?

3 A. If we can find it, it is in the records in  
4 William Trantham's file system somewhere or may I say  
5 to you that my memory wants me to say that I think I  
6 gave that to the young man from the FBI back in 2003  
7 or whatever that -- when they had -- when Harley  
8 was being prosecuted in Alabama or wherever that  
9 was.

10 Q. You think you may have given it to the FBI in  
11 Alabama?

12 A. I believe. I think I did.

13 Q. But other than that without finding the other  
14 note that has a different copy and handwriting, is the  
15 language on the note the same?

16 A. Yes, I believe it is.

17 Q. And basically how would you describe what this  
18 note -- what rights it gives Mr. Harley and Enpetro?  
19 What does this note signify?

20 A. The note shows our intention to provide a  
21 collateral instrument. If you'll notice on line three  
22 or four. I guess it is, below promissory note, you'll  
23 see that it gives him the right of assignment and then  
24 it says two with a colon, and it's blank. And then it  
25 gives the amount of the note and the determination by

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 09/05/2000

ALVIN STANLEY DEDMON, known as STAN, was interviewed at his place of employment, ENPETRO LPC, INC., 1039 North I-35, suite 301, Carrollton, Texas 75006, telephone 972-446-3775. DEDMON provided the following descriptive data:

RACE: White  
 DOB: 9/7/41  
 HEIGHT: 6'0"  
 WEIGHT: 205 lbs  
 HAIR: Red/White  
 EYES: Brown  
 TX DL: 05403137  
 HOME ADDRESS: 2023 Grenoble, Carrollton, Texas 75007  
 HOME TELEPHONE: 972-242-4384  
 MOBILE TELEPHONE: 214-616-8690

DEDMON advised that ENPETRO has moved its location two times within the last two years. His file related to RICHARD J. HARLEY is in a warehouse, and he would attempt to locate it and provide it to the interviewing agent.

DEDMON advised that he has been involved in the oil and gas industry for 25 years. He is the owner of ENPETRO, which was formed in 1989. While WILLIAM E. TRANHAM, known as BILL, is listed as an officer, TRANHAM is actually an attorney and merely signs some corporate documents for ENPETRO. DEDMON and TRANHAM officed together for several years in a building owned by TRANHAM at 2243 Valwood Parkway, Farmers Branch, Texas. In 1999, TRANHAM leased the space to an accounting firm and moved his law practice to Denton, Texas.

37-446-3775

Investigation on 9/4/00 at Carrollton, TexasFile # 196D-BH-47935Date dictated 9/5/00by Randy M. Horton

196D-BH-47935

Continuation of FD-302 of ALVIN STANLEY DEDMON , On 9/4/00 , Page 2

DEDMON stated that ENPETRO owns leases to approximately 10 million barrels of oil reserves in Brown County, Texas. These leases were acquired from HAYS HILLTOP OPERATING in 12/93. HAYS HILLTOP is owned by WELDON HAYS of Lancaster, Texas, whom DEDMON has known for many years. ENPETRO's purchase from HAYS was in the form of cash and notes.

DEDMON advised that ENPETRO only owns the oil and gas reserves, and the operation of the wells is conducted by HAYS HILLTOP. BML, INC, owned by the BERRY brothers, is a trucking service which delivers oil to customers. DEDMON stated that there has been little production in the 1990's, as the price for oil did not warrant the cost. Enough oil has been produced to keep from plugging the wells as required by the Texas Railroad Commission.

DEDMON advised that in the mid 1990's, he and others tried to put together a group of insurance companies. Promissory notes were issued, secured by the oil reserves, which could be used as part of the capital of the proposed insurance companies. Nothing came of these efforts.

In 1997, DEDMON was diagnosed with cancer. He received a telephone call from TOM GILLEN of Baton Rouge, Louisiana, telephone 225-923-0502. GILLEN told him that he had learned about RICHARD HARLEY from EDWIN WHITE. According to DEDMON, WHITE had been the chairman of the Republican Committee in Mississippi. GILLEN told DEDMON that HARLEY was a holistic medical specialist and had a miracle cure for cancer. HARLEY wanted to build cancer facilities all over the world. GILLEN is a white male, 83 years old.

DEDMON advised that he began corresponding with HARLEY on the telephone. He has never met HARLEY. HARLEY told DEDMON that he had an insurance company willing to loan him money, but he needed a promissory note from DEDMON to put on his financial statement. DEDMON confirmed that ENPETRO executed a \$200 million promissory note to RJH and COMPANY dated 9/24/97. He identified his signature on the Assignment of Collateral, which secured the \$200 million note with the Brown County oil reserves. DEDMON sent the note, the assignment of collateral, and an engineer report, prepared by PHIL PAGE of Abilene, Texas, to HARLEY in Pennsylvania via Federal Express.

DEDMON stated that ENPETRO did not receive any consideration for the note. For giving the note, ENPETRO was to

# EXHIBIT B

**CERTIFICATE**

This is to certify that the attached proceedings  
before the Federal Grand Jury 11-01 of the Middle  
District of Pennsylvania in the matter of:

Witness : WILLIAM TRANTHAM

Docket Number :

Place : Federal Building  
229 Walnut Street, 7th Floor  
Harrisburg, Pennsylvania

Date : February 22, 2012

were held as herein appears, and that this is the  
original transcript thereof.

  
\_\_\_\_\_  
Tracy L. Lloyd, RPR  
Official Court Reporter

6/20/12  
\_\_\_\_\_  
Date

1 produced out of that property.

2 And the purpose, of course, to get some of this  
3 money that he was going to be paying was to get the oil  
4 to produce in there so that the note would be backed by  
5 collateral. We'd sell the oil and pay the note.

6 Q. Was the original note ever, to your knowledge,  
7 tended to Mr. Harley?

8 A. No.

9 Q. Do you know where the original note is?

10 A. No.

11 Q. Have you attempted to locate it?

12 A. Yes. Well, I believe the original note does not  
13 exist. I think it went to a landfill. I have just  
14 called my secretary to see if there is any electronic  
15 form of that around, and I have not heard back from  
16 her.

17 Q. And did you ever deal with the woman named  
18 Christie Bower?

19 A. No, sir.

20 Q. Did you ever deal with a person named Donald  
21 Kesterson?

22 A. Who?

23 Q. Kesterson, other than meeting him maybe today at  
24 lunchtime in the waiting room?

25 A. I didn't know the names.



- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 09/05/2000

WILLIAM E. ~~TRANHAM~~, also known as BILL, DOB 9/16/43, was interviewed at his office, WILLIAM E. TRANHAM, Attorney, 1710 West University Drive (State Highway 360), Suite A, Denton, Texas 76201, telephone 940-380-1016, fax 940-387-2849. TRANHAM provided a home address of 1504 East Sherman Drive, Denton, Texas 76201, telephone 940-382-2912. TRANHAM advised as follows:

ENPETRO LPC, INC. is a company which promotes oil and gas deals and is owned by STAN DEDMON. TRANHAM is a practicing attorney and is only involved in ENPETRO to the extent that he can sign corporate documents. Only DEDMON is responsible for its operations. DEDMON has all of the ENPETRO records.

TRANHAM advised that he and DEDMON shared office space for several years at 2243 Valwood Parkway, Farmers Branch, Texas. TRANHAM is the owner of the building. In 1999, he decided to rent the building out and move his law practice to Denton, Texas, where he lives.

TRANHAM advised that ENPETRO has extensive holdings of oil and gas reserves located in Brown County, Texas. ENPETRO obtained title to these holdings in the early 1990's from WELDON HAYS, an oil man.

TRANHAM identified his signature on a \$200 million promissory note payable to RJH AND COMPANY, INC dated 9/24/97, secured by the Brown County oil reserves. RJH was owned by RICHARD HARLEY. TRANHAM does not recall the purpose of the note but believes it was to be used to raise capital. He does know that ENPETRO never received any consideration from RJH for the note. TRANHAM guesses that DEDMON was introduced to HARLEY through TOM GILLEN, an 85 year old oil and gas investor from Baton Rouge, Louisiana.

TRANHAM advised that he was present when HARLEY called DEDMON at 2243 Valwood Parkway, date unknown. DEDMON became very angry and told HARLEY that the note was cancelled and wanted it returned.

Investigation on 9/1/00 at Denton, Texas

File # 196D-BH-47935

Date dictated 9/5/00

by Randy M. Horton

196D-BH-47935

Continuation of FD-302 of WILLIAM E. TRANTHAM, On 9/1/00, Page 2

Later that afternoon, HARLEY called TRANTHAM, wanting him to write a letter as to the authenticity of the promissory note and the existence and ownership of the oil reserves. TRANTHAM told HARLEY that the note was cancelled and, if he presented it to a financial institution, he would tell them that the note was worthless.

NEVER  
SPOKE TO  
MR. TRANTHAM

TRANTHAM has attempted to get the original note back from HARLEY but has been unsuccessful. HARLEY has threatened to sue ENTERTAINMENT. TRANTHAM has never met HARLEY.

The names of DEBORAH CAVE, DIAL AMERICA MARKETING, WORLD WIDE INVESTORS, CHERYL VASSARO, CHERYL VASALLO, RUDOLPH ATKINSON, KEN NELSON, PAUL AHLRICH, EDWIN WHITE, and CLIFTON PATE are all unfamiliar to TRANTHAM.

# EXHIBIT C

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

**IN RE: GRAND JURY NO. 10-410**

**IN THE MATTER OF THE UNITED STATES ATTORNEY'S OFFICE**

**Witness : DONALD C. KESTERSON**

**Location : Federal Building  
228 Walnut Street, 7th Floor  
Harrisburg, Pennsylvania**

**Date : Wednesday, February 22, 2012,  
12:52 p.m.**

**Reporter : Tracy L. Lloyd  
Registered Professional Reporter  
Filius & McLucas Reporting Service**

**Counsel : BRUCE D. BRANDLER, ESQUIRE  
Assistant U.S. Attorney**

1 A. Yes, sir.

2 Q. What is that?

3 A. The first page is a fax cover sheet, and on the  
4 second page it's a request of information and some  
5 clarifications of relationships with respect to the oil  
6 promissory note.

7 Q. It says the first sentence, the purpose of this  
8 letter is to advise you that I have spoken to company  
9 officials evaluating your absence this afternoon. They  
10 have requested the following items. Who are you  
11 referring to when you say "I have spoken to company  
12 officials"?

13 A. I do not recall.

14 Q. Did you speak to anyone besides Mr. Harley  
15 regarding any of these documents that he had sent you?

16 A. Not --

17 Q. At that time?

18 A. -- not at that time.

19 Q. And you asked him various questions like that you  
20 just mentioned as follow-ups here. One of the things  
21 you asked was would it be permissible to speak to  
22 ~~Christie Bower~~ regarding ~~the safekeeping receipt~~, and  
23 you also said in number six you have confirmed to me  
24 verbally, but could you confirm to me in writing that  
25 these leases are all currently in production and at

1 what rates. On the first one with Christie Bower you  
2 said you never got in touch with her?

3 A. No, sir, not at that time.

4 Q. Did you try to get in touch with her?

5 A. ~~Not~~ at that time, sir.

6 Q. At any time?

7 A. Later I believe ~~she called me or I called her~~  
8 ~~just to verify that she had the --~~

9 Q. ~~The original notes?~~

10 A. ~~Yes, sir.~~

11 Q. ~~And did she verify that?~~

12 A. ~~Yes, sir.~~

13 Q. Do you remember what time period that would have  
14 been?

15 A. I'm sorry, sir, I do not.

16 Q. As far as number six, did you ever get anything  
17 in writing confirming that the leases are all currently  
18 in production and at what rates?

19 A. He did send a follow-up to that that alluded to a  
20 time period that there was production.

21 Q. What time period were these wells in production?

22 A. They were older wells, but there had been  
23 production sometime in the early nineties. I think, if  
24 I recall, I believe it was 19 -- up to 1996.

25 Q. So in 1999 at the time you were asked to do this,

1 Q. So he sent that proposal to you, but you're  
2 saying you rejected it?

3 A. I rejected it.

4 Q. Because it was a conflict of interest?

5 A. Yes, sir.

6 (Grand Jury Exhibit Numbers 13 and 14 were  
7 marked for identification.)

8 BY MR. BRANDLER:

9 Q. Let's start with 13. What is Exhibit 13?

10 A. It says verbiage for safekeeping receipt.

11 Q. And who sent it to who?

12 A. Mr. Harley faxed it to me.

13 Q. Why was he sending you verbiage for a safekeeping  
14 receipt?

15 A. I have no idea.

16 Q. What did he -- were you safekeeping any of his  
17 documents?

18 A. No, sir.

19 Q. So you have no idea why he sent that to you?

20 A. No, sir.

21 Q. Did you ever prepare a safekeeping receipt?

22 A. No, sir.

23 Q. Did you have any of the original documents, the  
24 original note, the original assignment of collateral?

25 A. No, sir.

1 Q. As far as you knew, this lawyer in Pennsylvania  
2 had it?

3 A. Yes, sir.

4 Q. Going to Exhibit 14, what is that?

5 A. It is a complete executive summary on RJH and  
6 Company and a little more detailed explanation for his  
7 ozone treatment therapy.

8 Q. Do you know why he sent that to you?

9 A. It says as per my request, but I don't recall  
10 requesting it.

11 Q. You already had an executive summary of RJH that  
12 we read earlier?

13 A. Yes, sir.

14 Q. Was this -- you mentioned there was a second  
15 thing besides the insurance wrap. There was a capital  
16 group --

17 A. Capital Alliance Group.

18 Q. Capital Alliance Group. What was your dealings  
19 with Capital Alliance Group with Mr. Harley?

20 A. Capital Alliance was an equity -- potential  
21 equity provider, and Mr. Harley asked if I knew  
22 somebody who would possibly lend money against the  
23 note, so I introduced him to the firm.

24 Q. And what was the name of the point of contact at  
25 the firm?



1 Q. That ~~never raised your~~ suspicion that ~~maybe~~ these  
2 documents were being used in an illegal manner?

3 A. No, sir, it didn't.

4 Q. When is the last time you spoke to Mr. Harley?

5 A. Sometime just before Christmas of 2011.

6 Q. Tell us the circumstances of that.

7 A. He had -- I was busy working out in the oil  
8 field. He had called once and left a message. I did  
9 not return his call. That was early in the month of  
10 December. He called back, as I say, sometime right  
11 before Christmas. I picked up the phone, and it was  
12 him.

13 Q. What did he say?

14 A. It was just a friendly exchange asking about how  
15 my family was and telling me about his family. That  
16 was it. There was no business discussion on that. It  
17 was just because we hadn't talked.

18 Q. Any other discussions with him?

19 A. No, sir.

20 Q. Did you try and get in touch with him or did he  
21 try and get in touch with you after that point?

22 A. There has been no attempt by either party that  
23 I'm aware of.

24 Q. Is he aware -- do you know if he's aware that  
25 you're here in front of the Grand Jury?

# EXHIBIT D

# **Christie E. Bower**

*Attorney and Counselor at Law*

*Jay Park Plaza P.O. Box 12  
Marshall's Creek, Pennsylvania 18335-0012  
570-223-9995  
Fax 570-223-9141  
email cebower@csrlink.net*

*402A South Third Street  
Lehighton, Pennsylvania 18235  
800-918-9995*

March 1, 1999

Richard J. Harley  
RJH and Company, Inc.

Re: **SAFE-KEEPING RECEIPT**

Dear Richard:

This is to verify that the following documents which you gave to me to place in safekeeping are contained in a safe deposit box rented by me in the Marshall's Creek branch of Mellon Bank:

1. Original Promissory Oil Production Note payable to RJH and Company, Inc. dated September 24, 1997, certificate # M20092497 in the amount of two hundred million (\$200,000,000.00) dollars;
2. Original Assignment of Collateral, dated September 24, 1997, of approximately nine million five hundred twenty-four thousand (9,524,000) barrels of oil reserves; and
3. Excerpts from geological reports.

Thank you for your consideration in this matter.

Very truly yours,

  
CHRISTIE E. BOWER

## ***Christie E. Bower***

***Attorney and Counselor at Law***

***5224 Milford Road, Suite 104***

***East Stroudsburg, PA 18301***

***(570) 588-0550***

***Fax (570) 588-0441***

***email: cebaw@unlink.net***

**June 13, 2006**

**Richard J. Harley  
RJH and Company, Inc.**

**Re: SAFE-KEEPING RECEIPT**

**Dear Richard:**

**This is to verify that the following documents which you gave to me to place in safekeeping are contained in a safe deposit box rented by me in the Marshalls Creek branch of PennStar Bank, formerly LA Bank, N.A.:**

- 1. Original Promissory Oil Production Note payable to RJH and Company, Inc. dated September 24, 1997, certificate #M20092497 in the amount of two hundred million (\$200,000,000.00) dollars;**
- 2. Original Assignment of Collateral, dated September 24, 1997, of approximately nine million five hundred twenty-four thousand (9,524,000) barrels of oil reserves; and**
- 3. Excerpts from geological reports.**

**Thank you for your consideration in this matter.**

**Very truly yours,**

***Christie E. Bower***  
**CHRISTIE E. BOWER**

**ENPETRO LPC, INC.**  
**2243 Valwood Parkway**  
**Farmers Branch, Texas 75234**  
**(972)481-7734**

**ASSIGNMENT OF COLLATERAL**

STATE OF TEXAS }

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF DALLAS }

That ENPETRO LPC, INC., a Texas corporation whose address is 2243 Valwood Parkway, Farmers Branch, Texas 75234, herein referred to as "Assignor", for a sufficient consideration paid by the Assignee herein, and subject to the further terms and conditions hereof, does hereby TRANSFER, ASSIGN AND CONVEY that certain corporate note as collateral for note numbered M20092497, issued to RJH and Company, Inc., herein referred to as "Assignee", approximately 9,524,000 barrels of oil, being approximately 9,524,000 barrels of the proven reserves of oil underlying the following Oil, Gas, and Mineral lease covering lands in Brown County, Texas to wit:

Those leases located in Brown County, Texas, described as the Williams Group, containing approximately 10,000,000 barrels of oil reserves.

The estimated reserves underlying each of the above leases have been arrived at by the use of standard reservoir engineering procedures and production histories of the producing reservoirs.

I.

TERM

This conveyance and all rights hereunder shall be in force concurrently with the effective dates of the note, unless on or before such date the credit enhancement collateral assigned hereby is being called on by a creditor under the provisions of part II hereof or extended by letter of agreement. In such event this conveyance shall remain in full force and effect for so long as reserves are being called on by a creditor under said part II.

II.

USE OF ASSIGNED RESERVES

In the event of default of any loan in which the assigned reserves have been pledged as collateral:

ASSIGNMENT OF COLLATERAL PAGE - 1

STATE OF PENNSYLVANIA  
COUNTY OF MONROE

I, JUDITH A. MILLER, DO CERTIFY THIS COPY  
TO BE A TRUE AND EXACT COPY OF THE  
ORIGINAL.

*Judith A. Miller*  
8/10/99

Notarial Seal  
Judith A. Miller, Notary Public  
Smithfield Twp., Monroe County  
My Commission Expires Sept. 6, 2001  
Member, Pennsylvania Association of Notaries

1. The creditor shall be paid monthly from the production of wells located on the referenced lease a sum of money equal to  $\frac{1}{2}$  (one half) of the oil produced and sold during the preceding month which would otherwise be credited to the full leasehold working interest.
2. Assignor covenants and agrees that it will at all times during the term of this Assignment, and prior to any call being made on such collateral, maintain available for future production from the above referred to lease, or from such other lease or leases as may be added to this assignment from time to time, sufficient remaining producible reserves so that  $\frac{1}{2}$  (one half) of the leasehold working interest share of such reserves shall equal or exceed 9,524,000 barrels of oil at a net value after operations of USD \$21.00 (twenty-one United States Dollars) per barrel for each barrel assigned herein for collateral purposes.
3. Assignor reserves the following rights with respect to the leases subject to this assignment: (a) the right at all times to sell interest in said leases to third parties so long as Assignor retains title to sufficient future producible oil reserves to comply with the terms and provisions of this assignment; (b) the right to drill, operate, produce and sell oil, gas and other hydrocarbons from the lease subject to this agreement so long as sufficient future recoverable reserves are maintained to comply with subparagraph 2 immediately above, provided however, Assignor shall always have the right to maintain sufficient production from each lease to maintain each lease in full force and effect pursuant to its terms, regardless of the future recoverable barrels of oil remaining under each lease in full force and effect pursuant its terms, regardless of the future recoverable barrels of oil remaining under each lease. Assignor covenants that should it be required to continue to produce a lease in order to maintain it in force and effect, and if such continued production would possibly default to less than the required number of barrels to satisfy the balance under default, that it will add additional lease interest to bring the collateral reserve into balance.

Assignor warrants that the oil reserves assigned hereby are free and clear of all liens and encumbrances whatsoever, that the Grantor has good title to the leasehold estates created by the referenced leases and has the right to assign these oil reserves underlying said lease.

Please note that facsimile copy of this document is to be considered as the original.

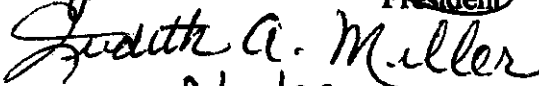
Executed this 24 day of September, 1997.

STATE OF PENNSYLVANIA  
COUNTY OF MONROE  
I, JUDITH A MILLER, DO CERTIFY  
THIS COPY TO BE A TRUE AND  
EXACT COPY OF THE ORIGINAL.

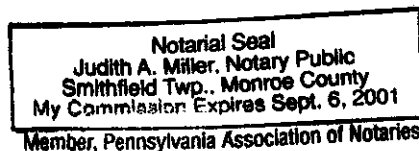
ENPETRO LPC, INC.

BY:

  
Stan Dedmon,  
President

  
8/10/99

ASSIGNMENT OF COLLATERAL PAGE - 2




STATE OF TEXAS {

COUNTY OF DALLAS {

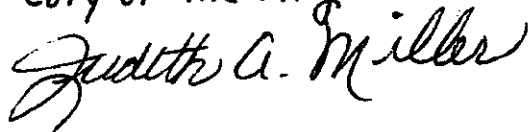
This instrument was acknowledged before me on September 24, 1997, by Stan Dedmon, President of ENPETRO LPC, INC., a Texas corporation on behalf of said corporation.



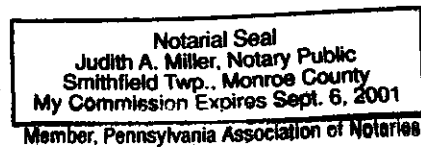
SEAL

  
\_\_\_\_\_  
Notary Public in and for  
The State of Texas

STATE OF PENNSYLVANIA  
COUNTY OF MONROE  
I, JUDITH A MILLER, DO CERTIFY  
THIS COPY TO BE A TRUE AND EXACT  
COPY OF THE ORIGINAL.

 8/10/99

ASSIGNMENT OF COLLATERAL PAGE - 3



**LEASE LIST AND DATA**

<u>LEASE</u>	<u>LEASE #</u>	<u>NO. WELLS</u>	<u>ACRES</u>
BUSBEE	14272	16	158
J. A. BUTLER (3 Inj)	10455	9	171
(Note: some of the wells on this lease started out as V. O. King then lease was sold to Jos. A. Butler)			
HARRIS "A" (2 Inj)	11301	7	121
HARRIS "B" (shows 1 inj)	11197	4	203
TISCHLER This lease was combined in 1984, joining 3 sub-leases	11842	7	101
WATSON	14273	3	61

STATE OF PENNSYLVANIA  
COUNTY OF MONROE

I, JUDITH A MILLER DO CERTIFY  
THIS COPY TO BE A TRUE AND EXACT  
COPY OF THE ORIGINAL.

*Judith A Miller*  
8/10/99

Notarial Seal  
Judith A. Miller, Notary Public  
Salemfield Twp., Monroe County  
My Commission Expires Sept. 8, 2001  
Member, Pennsylvania Association of Notaries



ENPETRO LPC, INC.

\$200,000,000

\$200,000,000

PROMISSORY

OIL PRODUCTION NOTE

FOR VALUE RECEIVED, ENPETRO, LPC, INC. PROMISES TO PAY TO THE ORDER OF:  
RJH AND COMPANY, INC.

WITH RIGHTS OF ASSIGNMENT TO:  
THE SUM OF TWO HUNDRED MILLION DOLLARS (\$200,000,000)  
DUE AND PAYABLE UPON DEMAND AFTER 380 DAYS FROM DATE OF ISSUE,

THIS NOTE IS SECURED BY THE ASSIGNMENT OF THE OIL RESERVES PRODUCED  
PURSUANT TO DIVISION ORDER FROM BML, INC. CRUDE OIL MARKETING CO. TO HAYS  
HILLTOP OPERATING, DATED MAY 11, 1992. THE ASSIGNMENT AGREEMENT IS MADE A PART  
HEREOF FOR PROPER IDENTIFICATION. THE PRINCIPAL AND THE ACCUMULATED INTEREST OF  
THIS NOTE IS FULLY PAYABLE UPON THE DUE DATE. THE MAKER HEREOF WAIVES  
PRESENTATION FOR PAYMENT, NOTICE OF NON-PAYMENT, PROTEST AND DILIGENCE IN  
BRINGING SUIT AGAINST ANY PARTY. IN THE EVENT OF DEFAULT THE UNDERSIGNED  
AGREES TO PAY ALL REASONABLE ATTORNEY FEES AND COSTS OF COLLECTION.

ENPETRO LPC, INC.

DATE ISSUED: September 24, 1997

CERTIFICATE #: M20092497

BY:



ITS: CORP. SECRETREASURER

\*ANY PLEDGE OR ASSIGNMENT REQUIRES NOTICE TO THE MAKER OF THIS NOTE\*

STATE OF PENNSYLVANIA  
COUNTY OF MONROE

I, JUDITH A. MILLER, DO CERTIFY THIS COPY  
TO BE A TRUE AND EXACT COPY OF THE ORIGINAL.

*Judith A. Miller*  
8/10/99

Notarial Seal  
Judith A. Miller, Notary Public  
Smithfield Twp., Monroe County  
My Commission Expires Sept. 8, 2001  
Member, Pennsylvania Association of Notaries

# EXHIBIT E

1 this, when you got Mr. Harley's bank accounts and his  
2 Merrill Lynch account, did you look to see how he used  
3 the investors' money?

4 A. Yes, I did.

5 Q. Was any money ever used to extract oil from  
6 Texas?

7 A. No.

8 Q. What was the money used for?

9 A. The money was used for what appears to be  
10 personal expenses, and I'd be happy to go over some of  
11 them, but the high points, \$45,000 for an automobile.

12 Q. So they were personal expenses? (*Purchased in*)

13 A. Personal expenses, yes. *the corporate name*

14 Q. There were no checks written to -- *return RSH*

15 A. I saw nothing.

16 Q. -- oil companies?

17 A. No wire transfers or checks indicating any  
18 attempt to extract oil, anything to do with oil related  
19 issues in Texas at all. *Per Enam did no own wells or*

20 MEMBER OF THE GRAND JURY: Was there *leases*

21 anything in doing your background research that linked  
22 Mr. Harley to the physical property in Texas? Any  
23 deeds, anything that would say that he had any  
24 ownership or right to the land that was under this?

25 A. I have not found anything indicating he has any

# EXHIBIT F

clothes, watch, wedding band, and chain.<sup>6</sup> See Gov't Ex. 20.3, Tr. 12/09/14, p. 177. Harley failed to list bank accounts he controlled at Merrill Lynch, Penn Security, and Wachovia (Gov't Ex. 26.2A, B, and C) where most of the victims' money ended up going, luxury vehicles he purchased with the victims' money, as well as the \$1.8 million in valuable art he claimed to own. Nor did he list any government or corporate bonds he claimed were worth billions of dollars and over which he claimed to have "unrestricted bond power."

The government submits that there was more than sufficient evidence for the jury to conclude that Harley knowingly and willfully omitted this information from his personal bankruptcy petition.

---

<sup>6</sup> On Schedule C, Harley claimed some personal property was exempt, including his townhome, which he valued at \$70,000, "personal," no value, and "car" at \$1,800. ~~As Mr. Fogarty testified, the 2008 Lexus was valued at \$40,000 and titled in the name of Harley. Tr. 12/05/14, p. 129-132. See Gov't Ex. 20.3.~~

**PENNSYLVANIA FINANCIAL RESPONSIBILITY IDENTIFICATION CARD**

This card must be shown to any Law Enforcement Officer upon request

Company Number

**American Fire and Casualty Company**

**24066**

An authorized Pennsylvania Insurer has issued an Owner's Policy of Liability Insurance which satisfies the requirements of the Pennsylvania Financial Responsibility Law.

OFFICE ISSUING CARD

**TEL 908-537-2000**

**DDD AGENCY LLC T/A DURYEA AGENCY**

**PO BOX 278**

**GLEN GARDNER, NJ 08826-0278**

**RJH AND CO INC**

**PO BOX 337**

**SHAWNEE ON DELAWARE, PA 18356-0337**

POLICY NUMBER

**BAA 53535797**

EFFECTIVE DATE

**08/23/2009**

EXPIRATION DATE

**08/23/2010**

NOT VALID MORE THAN 1 YEAR  
FROM EFFECTIVE DATE

Applicable with respect to the following Motor Vehicles

**2008 LEXS GX 470**  
Year Make

**JTJBT20X880164193**  
Vehicle Identification Number

**SEE IMPORTANT MESSAGE ON REVERSE SIDE**

# EXHIBIT G

**DONALD C. KESTERSON**  
PETROLEUM GEOLOGIST

P.O. Box 2036  
Kersburg, WV 26102

Notarial Seal  
Judith A. Miller, Notary Public  
Smithfield Twp., Monroe County  
My Commission Expires Sept. 6, 2001  
Member, Pennsylvania Association of Notaries  
July 3, 1999  
Phone (304) 295-5511  
Fax (304) 295-9292

Mr. Richard J. Harley  
RJH and Company, Inc.  
P. O. Box 337  
Shawnee on Delaware, PA 18356

RE: Analysis of the Oil Reserves in Brown County, Texas

Dear Mr. Harley:

As per your request, a complete analysis of the recoverable volumes of crude oil reserves has been prepared on the Oil and Gas Leases in Brown County, Texas pertaining to your Oil Promissory Note and Collateral Assignment from Enpetro LPC, Inc. (Enpetro). The reserve analysis was prepared on six leases totaling 815 Acres, more or less, with a total of 46 wells.

No trips were made to the leases to determine their present condition, nor to the Brown County Court House to determine the present status. Title Abstracts should be sought to determine the status of these leases including the drilling depth rights.

There has been no production from any of these 46 wells since 1993, which means no value can be assigned to the Proved Developed Producing (PDP) Reserves. It has been represented, verbally, by the Texas Railroad Commission that as of June 1, 1999, these wells remain on the active list, without violation. However, this status could change in continued absence of production at some time in the future. Then the operator would not only have a plugging liability but would be in default of your agreement, unless altered in writing by both parties.

The information used to compile this reserve study was provided by the following sources and accepted as factual.

- 1) The Texas Railroad Commission, governing body for the oil and gas industry of the State of Texas has certified that they are providing you with true copies of all documents including: plats (surveys), permits, completion data, 4 Point Draw Down Tests, historical production figures, etc. filed with the Commission. This, obviously is good quality information and the production filed with the Railroad Commission must be cross-reference with the oil purchaser, so the production information is probably good and accurate.
- 2) An Engineering/Geology report prepared by Mr. Phil Page, including various structure and well spot maps showing the six leases covering 815 acres. The structure maps and wells spot maps from his report were used to determine certain conditions for the reserve report.
- 3) The Oil Promissory Note, which covers crude oil only, not natural gas. The 380-day time period has passed, therefore, it can be called or leveraged.



## DISCUSSION:

In order to appraise the crude oil reserves on the Oil and Gas Leases in Brown County, Texas backing the Oil Promissory Note and Collateral Assignment from Enpetro LPC, Inc. (Enpetro). The information was compile as follows:

- 1) The Texas Railroad Commission, governing body for the oil and gas industry of the State of Texas has certified that they are providing you with true copies of all documents including: plats (surveys), permits, completion data, 4 point draw down tests, historical production figures, etc. Some of this information was summarized in the Well Data Section of this report.
- 2) An Engineering/Geology report prepared by Mr. Phil Page, covering the six leases, 815 acres. The electric logs, structure maps and wells spot maps from his report were used to determine certain conditions for this reserve report.
- 3) The Oil Promissory Note, which covers crude oil only and not natural gas. This Note was for 360 days and that time period has passed. Therefore, it can be called or leveraged, if acceptable by a third party. It is in the amount of Two Hundred Million Dollars (\$200,000,000.00) and states it is secured by a Division Order from EEL, Inc. to Hays Hilltop Operating.
- 4) The Collateral Assignment does state that the Assigner, Enpetro, "...will maintain at all times an oil reserves in Brown County, Texas described as the Williams Group, which contains 10,000,000 barrels." Based on the wording of the Collateral Assignment, in my opinion Enpetro must maintain these Oil Reserves on behalf of RJH and Company, Inc. Further, Enpetro should maintain a current oil reserves report, prepared by a certified professional, with RJH and Company, Inc., on their oil reserves in Brown County in order to meet the terms of the Collateral Assignment - Clause II. Use of Assigned Reserves 2. Available Reserves. "...whereby one-half (1/2) of the working interest reserves will equal to or exceeding 9,524,000 barrels" to back its Oil Promissory Note. This clause goes on to state that these reserves, the 9,524,000 barrels, could be increased such that the net value after operations is equal to the value of the reserves at the time of the Collateral Assignment and based on \$21.00 per barrel oil. Based on the current market price of \$16.75 per barrel, their reserve base must be increased. Although, Mr. Pages report covers only these six leases or 815 acres, it is implied in Enpetro's Executive Summary that they have more leases in Brown County and could assign them in order to maintain this reserve base.

The information from the Texas Railroad Commission, Oil Promissory Note and the Collateral Assignment were accepted as factual, without further investigation.

No trips were made to the field to examine the current equipment status on each of the wells on these leases. No trip was made to the Brown County Court House to determine the present status of the leases, drilling depth rights or the working interest ownership.

There has been no production from any of these 46 wells since 1993, according to the figures provided by Railroad Commission, these leases have sold 20,629 MCF of natural gas and 63,405 barrels of oil in their cumulative history. There are some inconsistency in the reporting; The permit papers on

RJH and Company  
Page Two

July 3, 1999

- 4) The Collateral Assignment does state that the Assignor, Enpetro, will maintain at all times oil reserves, whereby one-half (1/2) of the working interest reserves will equal to or exceeding 9,524,000 barrels to back up the Oil Promissory Note.

The determination of crude oil reserves for this report is unique for several reasons. Normally, to analysis oil and gas leases, an evaluation is prepared based on historical Gas and Oil Production figures, Cash flow, Lease Operating Expenses (LOE), Net Revenue Interests of each of these leases. However, this situation does not apply to the terms of the Oil Promissory Note or the Collateral Assignment. Volumetric Reserves were estimated on 19 wells covering five formations underlying these leases, which are as follows: Blake Sand, Cross Cut Formation, Caddo Limestone, Marble Falls Sand and the Duffer Sand, using Petroleum Industry accepted formulas. However, the estimation of these reserves do not constitute any guarantees of production. In order to estimate volumetric reserves, certain geological conditions also must be estimated, such as, formation extent and ability to drain same. There are no depth limitation cited in either the Collateral Assignment or the Oil Promissory Note, but with electric log data available for formations only down to 3500 feet. It is likely that there are deeper formations, which contained untapped reserves, however, no value can be assigned to them in the absence of electric logs or other drilling data, etc.

According to the figures provided by Railroad Commission, these leases have sold 20,629 MCF of natural gas and 63,405 barrels of oil in their cumulative history. According to these records, the oldest wells were drilled in 1966, therefore, production spans from 1966 to 1993.

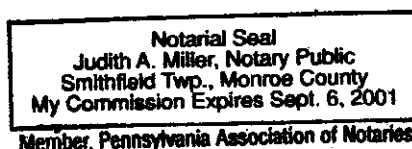
Data from a total of 67 wells was used to prepare this report, 43 of these wells had 4 Point Draw Down Tests filed with the Railroad Commission showing commercial production at the time of the tests. Twenty-five of these wells were completed in the Blake Sand, six were completed in the Cross Cut Formation, three in the Caddo Limestone and one in the Marble Falls Sand. There were several wells where it was impossible to determine what formation was completed. There were a total of three Dry Holes and according to the records three additional wells have been subsequently plugged. Based on the data from the 4 Point Draw Down Tests, it appears as though this area of Brown County has/had the potential to be productive. However, taking in consideration of the cumulative production history, it appears as though operations have not been carried out very diligently. There may be another reason, shallow formations tend to decline to stripper production rapidly and with the noted increases in the water production they may have no longer been economical under primary production methods.

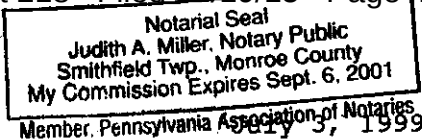
Considering there has been no production from any of these 46 wells since 1993, no value can be assigned to the Proved Developed Producing (PDP) Reserves.

STATE OF PENNSYLVANIA  
COUNTY OF MONROE

I, JUDITH A MILLER, DO CERTIFY  
THAT THIS COPY IS A TRUE AND EXACT  
COPY OF THE ORIGINAL.

*Judith A. Miller*  
8/10/99





*Judith A. Miller*  
8/10/99

PTH and Company  
e Three

Based on the above, all of the estimated reserves on these leases and others will fall into two categories: 1) Proved Developed Non-Producing, which can be further broken down into two separate categories; a) Wells which are completed for production but are currently not in production, and, b) Wells which have zones behind pipe appearing to be productive; and 2) Proved Undeveloped Reserves or expected reserves to be recovered from new wells on undrilled acreage limited to those off-setting proved developed reserves. Also, included are undeveloped reserves, which may be recovered through application of improved recovery techniques that have been proven effective by actual production in the area and in the same reservoir.

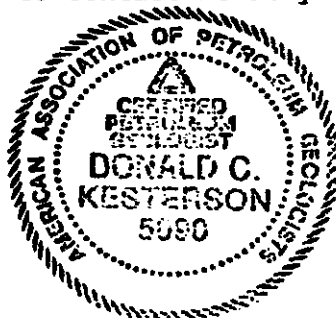
Volumetric Reserve Estimations were prepared on a total of 19 wells, then using the Structure Maps for each formations they can be projected under the remaining portions of the leases. Again, the five formations analyzed were the Blake Sand, Cross Cut Formation, Caddo Limestone, Marble Falls Sand and the Duffer Sand. To determine the total cumulative recoverable reserves including primary, secondary and tertiary, if applicable, a 25% factor of in-place reserves was used. Because of the terms and conditions of the Oil Promissory Note and the Collateral Assignment, no time limit nor has any economic expense has been placed on the recovery of any of these estimated reserves.

Once the total Estimated Volumetric Reserves have been calculated, then their estimated value must be determined. The estimated reserves were estimated by multiplying them by \$16.75, which was the spot price for West Texas Intermediate - Cushing grade for Friday, July 2, 1999. No deductions were made for lifting cost, additional development or for the operation of wells past their economic limit and the plugging of same.

FORMATION	ESTIMATED BARRELS OF CRUDE OIL	ESTIMATED VALUE
TOTAL	10,217,369	\$171,140,930.75

The above reserves and the associated price is applicable by today's standards, any change in the current market price could have a dramatic effect in this estimated value. Again, these reserves were estimated volumetrically, using Petroleum Industry accepted formulas, however, they do not constitute any guarantees of production. These reserves should be viewed as estimations, there are no assurances they can be recovered. If these reserves can be recovered through the variety of methods, no representation of time or expense has been made regarding their recovery. Any lending institution must determine the value of the reserves for their purposes.

Should you have any questions or need additional information please feel free to contact me at your convenience.



Sincerely,

*Donald C. Kesterson*  
Donald C. Kesterson  
AAPG - CPG No. 5090

# EXHIBIT H

[Print](#) | [Close Window](#)

**Subject:** [FWD: Subornation of perjury/perjury]  
**From:** r.harley@rjhco13.com  
**Date:** Mon, Nov 10, 2014 7:23 pm  
**To:** "Joe O'brien" <jao@oprlaw.com>  
**Attach:** STATEMENTS BY DEDMON.doc  
subornation.doc  
fed rul 1623.doc

----- Original Message -----

**Subject:** Subornation of perjury/perjury  
**From:** <r.harley@rjhco13.com>  
**Date:** Mon, June 16, 2014 7:24 pm  
**To:** "Joe O'brien" <jao@oprlaw.com>

Dear Joe,

As per our meeting on May 29, 2014 you requested that I email you information on the matter of subornation of perjury and perjury. Please see the following attachment.

- Statements by Dedmon and William E. Trantam
- Rule 1752 Subornation of Perjury
- 18 U.S. Code 1621-Perjury

Please note, the AUSA knew or should have known the statements from the two witnesses during the Grand Jury proceedings were false due to prior statements the two witnesses gave to agent Randy M. Horton in 2000.

Should you need additional information please do not hesitate to call or email.

Richard Harley, CEO  
RJH and Company, Incorporated  
570-476-7600  
[r.harley@rjhco13.com](mailto:r.harley@rjhco13.com)  
Skype rjhco2

THE ATTACHED COMMUNICATION IS CONFIDENTIAL AND PRIVILEGED INFORMATION  
AND MAY BE USED FOR DISCUSSION AND EVALUATION PURPOSE BY THE RECIPIENT

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HP Officejet 4630 e-All-in-One Printer

Fax Log for

mpr

5704761234

Jun 08 2015 9:32AM

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Last Transaction

Date	Time	Type	Station ID	Duration	Pages	Result
Jun 8	9:24AM	Fax Sent	5705855100	7:53	21	OK

HP Officejet 4630 e-All-in-One Printer

Fax Log for

mpr

5704761234

Jul 13 2015 10:45AM

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Last Transaction

Date	Time	Type	Station ID	Duration	Pages	Result
Jul 13	10:35AM	Fax Sent	5705855100	9:51	21	OK

**RJH AND CO. INC.**

**PHONE: 570-476-7600**

---

**TO:** Joe O'Brien

**Company:** Oliver Price and Rhodes

**DATE:** June 8, 2015

**FAX:** 1-570-585-5100

**FROM:** Richard Harley, CEO

**TOTAL # OF PAGES:** 21

---

**SPECIAL INSTRUCTIONS**

Dear Joe:

In reference to our phone conversation on Friday, June 5, 2015 please see the following attachments:

- False declaration in Grand Jury.
- Excerpts of Grand Jury Statements by Stan Dedmon.
- Excerpts of FBI 302 Statements by Stan Dedmon.
- Excerpts of Grand Jury Statements by William Trantham.
- Excerpts of FBI 302 statements by William Trantham.
- Safekeeping Receipt by Christie Bower, Attorney
- Excerpts of Certified Geological Report by Donald C. Kesterson dated July 2, 1999.

The above mentioned attachments must be made a part of your brief along with the exhibits.

Should you need additional information please do not hesitate to call or email.

Joe, Just a reminder I have emailed you these documents at least two times.

Regards,  
R. Harley, CEO

**Confidentiality Notice:** The information in this faxed transmission is legally privilege and confidential. It is intended only for the addressed named above. If you are not the intended addressee, any disclosure, coping or distribution of the information, or the taking action in reliance on it, is strictly prohibited. If you have received this fax in error, please advice immediately, by phone. Thank you for your cooperation.

FXED ON JUNE 8, 2015  
REFAXED ON JULY 13, 2015



HP Officejet 4630 e-All-in-One Printer

Fax Log for

mpr

5704761234

Nov 10 2015 7:11PM

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Last Transaction

Date	Time	Type	Station ID	Duration	Pages	Result
Nov 10	7:02PM	Fax Sent	5705855100	8:32	20	OK

**RICHARD J. HARLEY**

**P.O. BOX 306  
SHAWNEE ON DELAWARE, PA. 18356**

**PHONE: 570-476-6990 FAX: 570-476-1234**

---

**TO: Joe O'Brien, Esq.**

**Co. OPR Law**

**DATE: 11/10/2015**

**FAX: 570-585-5100**

**FROM: Richard Harley**

**TOTAL # OF PAGES: 19**

---

**SPECIAL INSTRUCTIONS**

Dear Joe,

In reference to our conversation on Tuesday, November 10, 2015, as per your request please see the following documents pertaining to perjured testimony, etc.

- Info on FBI 302 statements
- Excerpt of Grand Jury Testimony regarding the original note.
- 302 statement by FBI Browning
- Excerpt of Grand Jury testimony regarding a personal expense of a \$45,000 automobile.
- Identification card on said automobile.
- Excerpt of Grand Jury testimony regarding ownership of oil.
- Excerpts of Certified Geological by Don Kesterson, (see para. No. 4)
- Excerpts of Certified Geological Report ( see para. No. 1)
- Excerpts of Grand Jury Testimony regarding what RJH and Company, Inc. does (see certificate of Incorporation statement no. 3)

Should you need additional information please do not hesitate to call.

Richard

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NOVEMBER 18, 2015

OFFICE OF THE CLERK  
FEDERAL BUILDING  
PO BOX 1148  
SCRANTON, PA 18501

RE: CASE NO. 3:12-CR-224

DEAR CLERK OF COURTS:

PLEASE STAMP AND FILE THE ENCLOSED  
MOTION OF DEFENDANT, RICHARD J. HARLEY  
FOR DISMISSAL OF THE INDICTMENT, BASED  
ON PERJURED TESTIMONY BEFORE THE  
GRAND JURY, SET ASIDE GUILTY VERDICT,  
AND INEFFECTIVE ASSISTANCE OF COUNSEL.

SINCERELY,

RICHARD J HARLEY  
PO BOX 306  
SHAWNEE IN DEL. PA.

18356

570-476-6990